

CODIFICATION

Section was formerly classified to section 1694e of this title.

EFFECTIVE DATE

For effective date of this section, see section 1825 of this title and Effective Date of Constitution note thereunder.

SUBCHAPTER III—MISCELLANEOUS

§ 1841. Funds and services**(a) Acquisition and construction of powerplant and distribution facilities**

There is hereby authorized to be appropriated for expenditure after October 1, 1978, not more than \$12,000,000 plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs from October 1978 price levels as indicated by engineering cost indexes applicable to the types of construction involved, to assist in the acquisition and construction of a powerplant for the Northern Mariana Islands together with upgrading, rehabilitation, or replacement of distribution facilities.

(b) Services and facilities of Federal agencies; grants-in-aid; availability of appropriations in succeeding fiscal years

(1) The government of the Northern Marianas in carrying out the purposes of this Act, Public Law 95-134, or Public Law 94-241 [48 U.S.C. 1801 et seq.], may utilize, to the extent practicable, the available services and facilities of agencies and instrumentalities of the Federal Government on a reimbursable basis. Such amounts may be credited to the appropriation or fund which provided the services and facilities. Agencies and instrumentalities of the Federal Government may, when practicable, make available to the government of the Northern Marianas, upon request of the Secretary, such services and facilities as they are equipped to render or furnish, and they may do so without reimbursement if otherwise authorized by law.

(2) Any funds made available to the Northern Mariana Islands under grant-in-aid programs by section 502 of the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America (Public Law 94-241), or pursuant to any other Act of Congress enacted after March 24, 1976, are hereby authorized to remain available until expended.

(3) Any amount authorized by the Covenant described in paragraph (2) or by any other Act of Congress enacted after March 24, 1976, which authorizes appropriations for the Northern Mariana Islands, but not appropriated for a fiscal year is authorized to be available for appropriation in succeeding fiscal years.

(c) Supplemental nutrition assistance program benefits and distribution of donated foods

Notwithstanding the provisions of the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.], the Secretary of Agriculture is authorized, upon the request of the Governor of the Northern Mariana Islands, acting pursuant to legislation enacted in accordance with section 5 and 7 of article II of the Constitution of the Northern Mar-

iana Islands, and for the period during which such legislation is effective, (1) to implement a supplemental nutrition assistance program in part or all of the Northern Mariana Islands with such income and household standards of eligibility, deductions, and allotment values as the Secretary determines, after consultation with the Governor, to be suited to the economic and social circumstances of such islands: *Provided*, That in no event shall such income standards of eligibility exceed those in the forty-eight contiguous States, and (2) to distribute or permit a distribution of federally donated foods in any part of the Northern Mariana Islands for which the Governor has not requested that the supplemental nutrition assistance program be implemented. This authority shall remain in effect through September 30, 1981, and shall not apply to section 1421q-1 or 1574-1¹ of this title.

(d) Administration and enforcement of revenue and taxation provisions of Covenant

(1) The Secretary of the Treasury is authorized and directed, upon the request of the Governor of the Northern Mariana Islands, acting pursuant to legislation enacted in accordance with sections 5 and 7 of article II of the Constitution of the Northern Mariana Islands, or upon receipt of a resolution adopted by both houses of the legislature of the Northern Mariana Islands accompanied by a letter of request from either the Governor or the Lieutenant Governor of the Northern Mariana Islands, without reimbursement or other cost to the government of the Northern Mariana Islands, to administer and enforce the provisions of section 601, 603, or 604 of the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America (Public Law 94-241; 90 Stat. 263, 269) and in order to administer and enforce the collection of any payroll tax or other tax measured by income which may be in force in the Northern Mariana Islands pursuant to section 602 of such Covenant. This authority shall continue until such time as the Governor of the Northern Mariana Islands, acting pursuant to legislation enacted in accordance with sections 5 and 7 of article II of the Constitution of the Northern Mariana Islands, requests the Secretary of the Treasury to discontinue the administration and enforcement of such taxes. The administration and enforcement of such taxes by the government of the Northern Mariana Islands shall begin on January 1 of the year following the year in which such Northern Mariana Islands law is enacted.

(2) For purposes of carrying out any administration and enforcement required by this subsection, the Secretary of the Treasury (hereinafter in this subsection referred to as the "Secretary"), or his delegate, at no cost to the Northern Marianas government, may (A) employ citizens of the Northern Mariana Islands (as defined by Article III of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States (approved, Public Law 94-241; 90 Stat. 265), or (B) use the services of employees of the government of the Northern Mariana Islands, upon agree-

¹ See References in Text note below.

ment to pay such government for the use of such services. In addition, the Secretary, or his delegate, shall make every effort to assure that citizens of the Northern Mariana Islands (as so defined) are trained to ultimately assume the administration and enforcement duties required of the Secretary or his delegate under this section. Notwithstanding any other provision of law, the Secretary or his delegate is authorized to the maximum extent feasible in administering and enforcing the requested sections of the Covenant, to employ and train Northern Mariana Islands' citizens without regard to United States Civil Service hiring or job classification laws or any employment ceilings imposed upon the Secretary. The preceding sentence shall not exempt such Northern Mariana Islands' citizens so hired from any other laws affecting Federal or Internal Revenue Service employees and shall remain in effect until the end of the third full fiscal year following March 12, 1980.

(3) As part of the administration of taxes required by this subsection, the Secretary or his delegate shall establish, at no cost to the Northern Marianas government, a taxpayers information service to provide such information and assistance to citizens of the Northern Mariana Islands (as so defined) as may be necessary for the filing of returns and the payment of such taxes. (Pub. L. 95-348, §3, Aug. 18, 1978, 92 Stat. 489; Pub. L. 96-205, title II, §204(a), Mar. 12, 1980, 94 Stat. 86; Pub. L. 110-234, title IV, §4002(b)(1)(A), (B), (2)(HH), May 22, 2008, 122 Stat. 1095, 1096, 1098; Pub. L. 110-246, §4(a), title IV, §4002(b)(1)(A), (B), (2)(HH), June 18, 2008, 122 Stat. 1664, 1857, 1859.)

REFERENCES IN TEXT

This Act, referred to in subsec. (b)(1), is Pub. L. 95-348, Aug. 18, 1978, 92 Stat. 487. For complete classification of this Act to the Code, see Tables.

Public Law 95-134, referred to in subsec. (b)(1), is Pub. L. 95-134, Oct. 15, 1977, 91 Stat. 1159, as amended, popularly known as the Omnibus Territories Act of 1977. For complete classification of this Act to the Code, see Tables.

Public Law 94-241, referred to in subsecs. (b)(1), (2) and (d)(1), (2), is Pub. L. 94-241, Mar. 24, 1976, 90 Stat. 263, as amended, which is classified generally to subchapter I (§1801 et seq.) of this chapter. For complete classification of this Act to the Code, see Tables.

The Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America, referred to in subsecs. (b)(2), (3) and (d), is contained in section 1 of Pub. L. 94-241, set out as a note under section 1801 of this title.

The Food and Nutrition Act of 2008, referred to in subsec. (c), is Pub. L. 88-525, Aug. 31, 1964, 78 Stat. 703, which is classified generally to chapter 51 (§2011 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of Title 7 and Tables.

Section 1421q-1 or 1574-1 of this title, referred to in subsec. (c), was in the original "section 403 of Public Law 95-135", and was translated as reading "section 403 of Public Law 95-134", to reflect the probable intent of Congress, because Public Law 95-135 does not contain a section 403.

The United States Civil Service hiring or job classification laws, referred to in subsec. (d)(2), are set out generally in Title 5, Government Organization and Employees. For civil service laws, see particularly section 3301 et seq. of Title 5. For classification laws, see chapter 51 (§5101 et seq.) and subchapter III of chapter 53 (§5331 et seq.) of Title 5.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

Subsecs. (b)(2), (3), (c), and (d) of this section were formerly set out as notes under section 1681 of this title.

March 12, 1980, referred to in subsec. (d)(2), was in the original "the date of enactment", and was translated as meaning the date of enactment of Pub. L. 96-205, which enacted pars. (2) and (3) of subsec. (d) of this section, to reflect the probable intent of Congress.

AMENDMENTS

2008—Subsec. (c). Pub. L. 110-246, §4002(b)(1)(A), (B), (2)(HH), substituted "Food and Nutrition Act of 2008" for "Food Stamp Act of 1977" and substituted "supplemental nutrition assistance program" for "food stamp program" in two places.

1980—Subsec. (d). Pub. L. 96-205 designated existing provisions as par. (1), inserted "or upon receipt of a resolution adopted by both houses of the legislature of the Northern Mariana Islands accompanied by a letter of request from either the Governor or the Lieutenant Governor of the Northern Mariana Islands," after "Constitution of the Northern Mariana Islands," the first place appearing, and added pars. (2) and (3).

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

Amendment by section 4002(b)(1)(A), (B), (2)(HH) of Pub. L. 110-246 effective Oct. 1, 2008, see section 4407 of Pub. L. 110-246, set out as a note under section 1161 of Title 2, The Congress.

§ 1842. Covering into Commonwealth treasury of tax proceeds collected pursuant to Covenant

The Secretary shall take such steps as are necessary to ensure that the proceeds of taxes collected under the provisions of sections 601, 602, 603, and 604 of the Covenant (Public Law 94-241) are covered directly upon collection into the treasury of the Commonwealth of the Northern Mariana Islands.

(Pub. L. 96-205, title II, §204(b), Mar. 12, 1980, 94 Stat. 87.)

REFERENCES IN TEXT

The Covenant, referred to in text, is the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, which is contained in section 1 of Pub. L. 94-241, set out as a note under section 1801 of this title.

Public Law 94-241, referred to in text, is Pub. L. 94-241, Mar. 24, 1976, 90 Stat. 263, as amended, which is classified generally to subchapter I (§1801 et seq.) of this chapter. For complete classification of this Act to the Code, see Tables.

CODIFICATION

Section was formerly set out as a note under section 1681 of this title.

AUTHORITY OF GUAM, AMERICAN SAMOA, AND THE NORTHERN MARIANA ISLANDS TO ENACT REVENUE LAWS

See section 1271 of Pub. L. 99-514, set out as a note under section 931 of Title 26, Internal Revenue Code.

§ 1843. Exemption from taxation for income derived from sources within Commonwealth

(a) Taxable years beginning after December 31, 1978, but not after January 1, 1985

Except as provided in subsection (c) of this section, any person, including an individual, trust, estate, partnership, association, company, or corporation, which is a resident of or which is organized under the laws of the Commonwealth of the Northern Mariana Islands and which is subject to the provisions of section 601 of the Covenant to Establish the Commonwealth of the Northern Mariana Islands in Political Union with the United States (Public Law 94-241), shall be exempted from the requirements of such section with respect to income derived from sources within the Commonwealth of the Northern Mariana Islands for taxable years beginning after December 31, 1978, until, but not after, January 1, 1985. Nothing in this section shall be construed as relieving such person from the obligation to comply with the requirements of section 601 with respect to income derived from sources outside of the Commonwealth of the Northern Mariana Islands.

(b) Taxable years beginning after December 31, 1980, and before January 1, 1982

Except as provided in subsection (c) of this section, any person, including an individual, trust, estate, partnership, association, company, or corporation, which is a resident of or which is organized under the laws of the Commonwealth of the Northern Mariana Islands and which is subject to the provisions of section 601 of the Covenant to Establish the Commonwealth of the Northern Mariana Islands (Public Law 94-241), shall be exempt from the requirements of such section with respect to income from sources within the Northern Mariana Islands for its taxable year beginning after December 31, 1980, and before January 1, 1982: *Provided*, That the Secretary receives written notice from the Governor of the Northern Mariana Islands not later than September 30, 1980, that sections 1, 2, 3, 4, and 5 of chapter 2 of Public Law 1-30 of the Commonwealth of the Northern Mariana Islands or its successor, have been repealed in their entirety, effective December 31, 1981.

(c) Tax rebates

As provided in section 602¹ of Public Law 94-241 (90 Stat. 263, 270) the term "rebate of any taxes" shall, effective January 1, 1985, apply only to the extent taxes have actually been paid pursuant to section 601¹ of said Act, shall not exceed the amount of tax actually paid for any tax year, and may only be paid following the close of the tax year involved. Notwithstanding any other provision of law, effective January 1, 1985, the Commonwealth of the Northern Mariana Islands shall maintain, as a matter of public record, the name and address of each person receiving such a rebate, together with the amount of the rebate, and the year for which such rebate was made.

(Pub. L. 96-205, title II, § 205, Mar. 12, 1980, 94 Stat. 87; Pub. L. 96-597, title III, § 303(a), Dec. 24,

1980, 94 Stat. 3478; Pub. L. 98-213, § 3(a), (b), Dec. 8, 1983, 97 Stat. 1459.)

REFERENCES IN TEXT

The Covenant, referred to in subsecs. (a) and (b), is the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, which is contained in section 1 of Pub. L. 94-241, set out as a note under section 1801 of this title.

Public Law 94-241, referred to in subsecs. (a) and (b), is Pub. L. 94-241, Mar. 24, 1976, 90 Stat. 263, as amended, which is classified generally to subchapter I (§1801 et seq.) of this chapter. For complete classification of this Act to the Code, see Tables.

Sections 601 and 602 of Public Law 94-241, referred to in subsec. (c), probably mean sections 601 and 602 of the Covenant, because Pub. L. 94-241 does not contain a section 601 or 602.

CODIFICATION

Section was formerly set out as a note under section 1681 of this title.

AMENDMENTS

1983—Subsec. (a). Pub. L. 98-213, § 3(a), substituted "1985" for "1983".

Subsec. (c). Pub. L. 98-213, § 3(b), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "It is the sense of Congress that the term 'rebate' as used in section 602 of Public Law 94-241 does not permit the abatement of taxes."

1980—Subsec. (a). Pub. L. 96-597 substituted "until, but not after, January 1, 1983." for "and before January 1, 1981."

SUSPENSION OF PROHIBITION OF ABATEMENT OF TAXATION IN COMMONWEALTH OF NORTHERN MARIANA ISLANDS

Pub. L. 96-597, title III, § 303(b), Dec. 24, 1980, 94 Stat. 3478, provided that provisions of subsec. (c) of this section were suspended and were of no force or effect until Jan. 1, 1983.

§ 1844. Political union between Territory of Guam and Commonwealth of Northern Mariana Islands

In the event that a political union is effected at a future time between the Territory of Guam and the Commonwealth of the Northern Mariana Islands, the Federal Government and each of its agencies is authorized and directed to assure that—

(i) there will be no diminution of any rights or entitlements otherwise eligible to said territory and Commonwealth in effect on the effective date of such union,

(ii) there will be no adverse effect on any funds which have been or may hereafter be authorized or appropriated for said territory or Commonwealth, as of the effective date of such union, or

(iii) no action is taken that would in any manner discourage such unification.

Whenever any discrepancy exists or arises between the benefits available for either said territory or Commonwealth under any policies or programs authorized by law (including, but not limited to, any formulas for matching grants-in-aid or comparable programs or benefits), the most favorable terms available to either said territory or Commonwealth shall be deemed applicable to said unified area after the effective date of unification.

¹ See References in Text note below.

(Pub. L. 96-597, title VI, § 602, Dec. 24, 1981, 94 Stat. 3480.)

CODIFICATION

Section was formerly set out as a note under section 1681 of this title.

§ 1845. Plans for development, utilization, and conservation of water and related land resources

(a) The Secretary of the Army, acting through the Chief of Engineers and in cooperation with the Commonwealth of the Northern Mariana Islands, is hereby authorized and directed to study and draft plans for development, utilization, and conservation of water and related land resources of the Commonwealth. To carry out the purposes of this section there are authorized to be appropriated effective October 1, 1983, such sums as may be necessary.

(b) Such studies shall include appropriate consideration of the needs for flood protection; wise use of flood plain lands; navigation facilities; hydroelectric power generation; regional water supply and waste water management facilities systems; general recreational facilities; enhancement and control of water quality; enhancement and conservation of fish and wildlife; and other measures for environment improvement and economic and human resources development. Such studies shall also be compatible with comprehensive development plans formulated by local planning agencies and other interested Federal agencies.

(Pub. L. 98-213, § 13, Dec. 8, 1983, 97 Stat. 1462.)

CODIFICATION

Section was formerly set out as a note under section 1681 of this title.

§ 1846. Exemption from assessment and taxation of real property owned by Commonwealth in United States capital

Real property owned by the Commonwealth of the Northern Mariana Islands in the capital of the United States and used by the Resident Representative thereof in the discharge of his representative duties under the Covenant shall be exempt from assessment and taxation.

(Pub. L. 101-219, title II, § 208, Dec. 12, 1989, 103 Stat. 1875.)

REFERENCES IN TEXT

The Covenant, referred to in text, is the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, which is contained in section 1 of Pub. L. 94-241, set out as a note under section 1801 of this title.

CODIFICATION

Section was formerly set out as a note under section 1681 of this title.

CHAPTER 18—MICRONESIA, MARSHALL ISLANDS, AND PALAU

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SUBCHAPTER I—MICRONESIA AND MARSHALL ISLANDS

PART A—APPROVAL AND IMPLEMENTATION OF ORIGINAL COMPACT

§ 1901. Approval of Compact of Free Association (a) Federated States of Micronesia

The Compact of Free Association set forth in title II of this joint resolution between the United States and the Government of the Federated States of Micronesia is hereby approved,